Ogle County Budgeting

Needs-Based Analysis
Prepared for County Board Committees
August 11-12, 2009

Updated for August 18, 2009
County Board Meeting

Overview

1. 10% Expense Reduction Target
2. Revenue Scenarios
3. Balanced Budget
4. Next Steps

10% General Fund Expense Reduction Target

- 2009 Expense Budget = $13,443,119
- 2009 3% target = ($403,294)
- 2010 7% target = ($941,018)
- Total General Fund Reduction Goal for 2009 & 2010 = ($1,344,312)

2009 3% Target = ($403,294)

- Sheriff's 5 Budgets – $155,000 reduction through cuts in:
  - Training
  - Fuel, vehicle purchases, maintenance
  - Weapons/ammo purchases
  - Part time/extra time hours
  - Uniform expense
  - Supplies
  - Prisoner food costs
  - Computer hardware/software
  - Office & other equipment

2009 3% Target = ($403,294)

- County Clerk = $58,000 reduction through:
  - Unspent $30,000 election equipment grant accounted for within the General Fund
  - $28,000 savings in voter registration expenses, part-time election personnel & judges salaries, election publications

2009 3% Target = ($403,294)

- States Attorney - $31,000 reductions by:
  - Length of time to fill open position
  - Moving to online training
  - Timing of mandatory dues payment

2009 3% Target = ($403,294)

- Zoning - $23,200 reduction by:
  - Reduction in part time staff hours
  - Board of Appeals reductions
  - Official publications cuts
  - Training, travel, office supply reductions
  - Vehicle maintenance cuts

2009 3% Target = ($403,294)

- Health Department - $19,000 reduction by:
  - Not filling open part time position
  - Reallocating state funding coming this year

2009 3% Target = ($403,294)

- Judiciary - $9,537 reductions
- Assessment - $8,000 reductions
- Treasurer - $6,000 reductions

2009 3% Target = ($403,294)

- Coroner – needs are at budget
- ROE – needs are at budget
- Soil & Water – needs are at budget
- Highway, Animal Control, Solid Waste
  - Self-funded / outside of General Fund
  - Each are at or below budget
- Finance – reduction options being reviewed

2009 3% Target = ($403,294)

- Circuit Clerk expects to be $28,000 over on salaries per union contract; in discussion with Board
- Probation expects to be $22,000 over from extra juvenile detention fees, previously approved by Board
- Insurance expects to be $20,000 over from 2008 aggressive budgeting

Summary:
2009 3% Target = ($403,294)

- Sheriff ($155,000)
- County Clerk ($58,000)
- States Attorney ($31,000)
- Zoning ($23,200)
- Health Dept ($19,000)
- Judiciary ($9,537)
- Assessment ($8,000)
- Treasurer ($6,000)
- **TOTAL Projected 2009($309,737)**
- **$93,557 Short of 2009 Goal**

Net:
2009 3% Target = ($403,294)

- TOTAL Projected 2009 ($ 309,737)
- Plus $70,000 planned overage
- Net ($239,737) under 2009 budget overall
- $163,557 short of 3% total 2009 reduction target

2010 7% Target = ($ 941,018)

- Keep 2009 operational reductions
- Reallocate levies to fund IMRF & FICA for Health Dept; $67,000 general fund reduction
- Streamline IT; $15,000 minimum support annual fee reduction
- Probation self-funds 1x bonus instead of union comp schedule ($0 increase to general fund)
- Other union wages as in contracts
- Non-union wages 2-3%
- 2 county elections

2010 7% Target = ($ 941,018)

- 2010 Projected Budget = ($300,000)
- $641,018 short of 2010 goal

10% Target Reduction Summary

- Total General Fund Reduction Goal for 2009 & 2010 = ($1,344,312)
- 2009 Net = ($239,737)
- 2010 Net = ($300,000)
- Total ($539,737)
- $804,575 short of goal

Revenue Scenarios

- Current projections
  - 2009 = down $700,000
  - 2010 = down $1,100,000 more
- Worst case projections
  - 2009 = down $1,000,000
  - 2010 = down $1,700,000 more
  - 2011 = flat or down more?

Balanced Budget

- Questions to wrestle:
  - Is this a short term financial crisis?
  - Is this the new norm?
  - Which revenues may likely never return?
  - What other sources of revenue must we pursue?
  - What are the core services the county must provide?
  - What level of service are we willing to forgo to balance the budget?

Balanced Budget

- Questions to wrestle:
  - Could wage freezes and/or concessions help us avoid layoffs? How would future budget spikes impact us?
  - How would inequitable wage solutions impact our employees?
  - Could furlough days help us avoid layoffs?
  - What would early retirement save?
  - If we deplete funds in a short term crunch, what are the cash flow implications?
  - How can the wage study help us avoid spiraling wage costs in the future?

Balanced Budget

- Cost Containment Options
  - Hiring freezes
  - Salary, wage freezes
  - Wage concessions
  - Overtime elimination
  - Unpaid / reduced pay holidays
  - 3-4 day work week rotations
  - Voluntary lay offs
  - Furlough days
  - Early retirement
  - Lay offs

Balanced Budget

- Increased Revenues
  - Tax levy for referendum

Next Steps

- Data Analysis
  - Board directional survey
  - Cost containment reductions & impact
  - Revenue targets
- Finance Committee special meeting
  - August 26, 5:30 Farm Bureau Building